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**PSC OPPOSES PPL MONTANA’S MARKET-BASED
RATES ON ELECTRIC GENERATION BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

The state Public Service Commission filed comments with the Federal Energy Regulatory Commission last week in opposition to continuation by the FERC of market-based rate authority for PPL Montana. By filing the comments, the PSC supported the efforts of the Montana Consumer Counsel, who also opposes the FERC allowing PPL Montana to continue to sell electricity in Montana at market-based rates.

The PSC and the MCC have said that the current market-based rate authority of PPL Montana should be revoked because PPL Montana has market power in Montana, and, therefore, NorthWestern Energy, as well as Montana consumers, should not be paying the higher market-based rates for power from PPL Montana. The PSC claimed in its comments that if FERC continues to allow market-based rate authority for PPL Montana, NorthWestern’s electricity supply rates will substantially rise—doubling the current price for Montana consumers is a conservative estimate, according to the PSC.

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